



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

MEMORANDUM

**TO: Chairman Pringle and Authority Board Members
Roelof van Ark, Chief Executive Officer**

FROM: Steve Schnaidt

DATE: 8/31/10

RE: Legislation Update

Background

The Authority's staff tracks the progress of legislation pending in the Senate and Assembly and regularly presents an information/action item for the Authority's Executive/Administrative Committee and the full board summarizing high-speed train-related legislation introduced and still under consideration by the two houses in the current legislative session.

The initial 2009-10 legislative report noted the likelihood of the Authority periodically being asked for its views, if any, on various high-speed train legislative measures as the bills were introduced and scheduled for legislative policy and fiscal hearings and began their progress through the legislative process. The April 2009 and subsequent monthly reports highlighted and updated the provisions of the bills relevant to the high-speed train project and recommended to the Board for its consideration, formal positions on several bills. The report also recommended that the Board continue to monitor the status and progress of the identified bills whether or not a formal position was adopted. After discussion at its May meeting, the Board approved the staff report's recommended positions and action on several bills and directed staff to keep board members informed of important changes and developments in the language or status of the bills so that the board could consider modifications to its own positions or approach to the legislation. This report and its predecessors serve that goal.

The Legislature is now in the final two weeks of the 2009-10 Regular Session, having reached and passed the deadlines for fiscal and policy committee consideration and action on Senate and Assembly bills. The Legislature also is long overdue on passing the Budget Bill for 2010-11*. The essential deadlines and relevant dates remaining in the legislative calendar for 2010 and the current session are the following:

- August 16-31: Floor sessions only. Committees may not meet unless granted a waiver to do so.
- August 31: Last day for any bill to be passed. Final Recess for 2009-10 session begins at day's end.
- September 30: Last day for Governor to sign or veto bills.
- November 30: Adjournment/end of 2009-10 Regular Session.
- December 6: 2011-12 Regular Session convenes for organizational session.

(* Deadline for passage of Fiscal Year 2010-11 Budget Bill was June 15)

Discussion

The Assembly and Senate policy committees completed most of their action on legislation at the end of June/start of July in order to meet the July 2, 2010 deadline for hearing and reporting bills of either house. Subsequently, policy-only (nonfiscal) bills moved either to the Senate Floor or Assembly Floor for consideration by the full Senate or Assembly, respectively, or the fiscal committees. Bills with fiscal implications were heard by the appropriations committees over the month of July and early August in order to meet the August 13, 2010 deadline for completing work on fiscal legislation and reference to the Floors of the two houses. As the remaining legislative schedule indicates, the period from August 16-31 is reserved for final Floor action on 2009-10 legislation. To accommodate this work, the Senate and Assembly enforced deadlines for amending legislation on the two Floors and those deadlines, too, passed on August 20, 2010. In theory, bills no longer can be amended and are in their final form. The reality is that special circumstances may result in the waiver of rules to permit some measures to be further amended and for various committees to meet ad hoc to consider those changes.

This report incorporates the latest amendments and committee actions as of August 25, 2010 on the bills deemed of interest by the Authority, although it is possible that additional last minute changes or actions may occur to some pending measures.

Recommendations

Authority staff proposes that the Authority continue its prior approved positions on specific high-speed train legislation that has not materially changed and consider whether

to take revised positions on any measures that have been substantially amended or altered since the board's last consideration of the measures, as indicated. Staff recommends that the Authority instruct the Chief Executive Officer to communicate current or changed Board positions and relevant Board discussions to the appropriate legislative entities, the Governor and respective authors of the bills as necessary. If there are no Committee or Board additions or changes, then no further action on individual measures is necessary:

- 1. AB 289 (Galgiani) as amended 8/27/10-** *Authority exempt staffing positions and federal PRIIA and ARRA funds. Authorizes the Governor to appoint six additional exempt employees to the Authority to serve in specific positions and establishes a process for determining their compensation. States legislative intent to authorize Office for Project Controls and Risk Management. Requires the Authority to deposit ARRA fund reimbursements in federal trust fund and use in accordance with provisions proposed in SB 965. Designates the HST project corridors for use of PRIIA funds. Makes the bill contingent upon the enactment of SB 965.*

Proposition 1A (AB 3034), the Safe, Reliable High-Speed Passenger Train Act for the 21st Century, was approved by state voters on November 4, 2008. Prop. 1A controls the expenditure of the bond funds and imposes conditions on the use of the funds for development and construction of the high-speed train (HST) project, including that no more than 50% of the construction cost in any corridor or usable segment can come from the bond funds. Prop. 1A also requires the Authority to pursue and obtain other private and public funding, including federal funding for the HST project. Separately, the revised 2009-10 Budget Act appropriation for the Authority provides that the state appropriation for the Authority's operating and project expenses may be reduced and replaced (substituted) by an equivalent amount of any federal stimulus funds made available through the American Recovery and Reinvestment Act (ARRA).

The bill, as amended 8/20/10, authorizes the Governor, upon the recommendation of the executive director and subject to an appropriation in the annual Budget Act, to appoint six additional employees to the Authority who would be exempt from civil service, to serve at the pleasure of the executive director. The appointments are limited to those for chief program manager, regional director(s), chief financial officer, and director of risk management and project controls. The bill authorizes the Authority to establish the compensation of the new exempt positions, as approved by the Department of Personnel Administration, in an amount reasonably necessary to attract and persons of superior qualifications and after conducting an independent salary survey.

The bill states the Legislature's intent to approve additional positions at the Authority for purposes of creating an Office for Project Controls and Risk Management, which will report to the executive director.

The bill requires that federal funds for high-speed rail purposes received on a reimbursement basis from ARRA must be deposited in the federal trust fund and be used in ways consistent with the project reporting and expenditure requirements proposed in SB 965 (currently pending in the Assembly). (See SB 965 in this report.)

The bill provides that federal PRIIA funds received for high-speed train purposes, upon appropriation, are available for planning and engineering for any or all of three project corridors: Merced-Sacramento; Los Angeles-San Diego; and the Altamont Corridor.

The bill was amended 8/27/10 to delete the "urgency" clause (for purposes of lowering the vote threshold from 2/3 to a majority), making the effective date of the bill January 1, 2011.

The bill would become operative only if SB 965 also is enacted.

Bill history/status: Approved by Assembly Transportation Committee 13-0 on 4/27/09; approved by Assembly 72-3 on 5/18/09. Sent to Senate and referred to Senate Environmental Quality Committee; hearing pending. Author's amendments on 8/17/09 to delete former contents and change subject matter. Re-referred to Senate Committee on Rules. Referred to Senate Transportation and Housing Committee; approved by Transportation and Housing 8-0 on 6/29/10. Referred to Senate Appropriations Committee; placed on Suspense File on 8/2/10. Approved by Appropriations Committee 7-3 on 8/16/10. Referred to Senate Floor. Approved 21-9 on 8/27/10; returned to Assembly for concurrence. Approved by Assembly on 8/31/10.

Current approved position: Monitor and work with author

2. AB 619 (Blumenfield) as amended 7/15/10 – HST project bidder disclosure regarding World War II deportations.

As introduced, the bill did not pertain to the HST project or the Authority. It would have required notification to the Legislature by the Department of Transportation on any transportation project that would be delayed beyond its completion date due

to state cash flow or other funding issues, if the delay would place federal funds at risk.

The bill as amended on 6/17/10 became an entirely new measure requiring that bidders for high-speed train project contracts, as part of their bid application, be required to disclose any involvement in certain activities in World War II related to the deportation of individuals to extermination camps, work camps, concentration camps or prisoner-of-war or similar camps. The bill established requirements and procedures for certifying whether the bidding entity had any direct involvement in deportation activities and authorized the Authority to disqualify an entity from bidding on a contract based on the entity's disclosures. The bill also would have authorized civil penalties to be imposed on the entity if it submitted a false certification to the Authority when bidding.

The current bill, as amended July 15, 2010, requires any entity applying for a contract with the Authority to affirmatively certify in advance of submitting a formal bid, whether the entity 1) had any direct involvement in the deportation of individuals to extermination or concentration camps, work camps or related camps during the period from January 1, 1942 to December 31, 1944, 2) has any records related to any such deportations, 3) has taken any remedial action or provided restitution to identifiable victims, and 4) chooses to describe in narrative or documentary form any mitigating circumstances in this regard.

The bill requires the Authority to acknowledge any deportation disclosure information when awarding contracts and requires the Authority to note in its procurement solicitation documents the importance of complying with the disclosure requirements. The bill further requires that any bids or proposals submitted to the Authority for high-speed train system goods or services contracts must conform to the deportation disclosure requirements.

Under the bill, "direct involvement" means ownership or operation of the trains on which persons were deported to extermination camps, work camps, etc., during the specified three-year period 1942-1944. Affected "entities" includes any corporation, affiliate or other entity that controls, is controlled by, or is under common control with, or that is a member of a partnership or a consortium with, an entity covered by the bill's provisions.

Bill history/status: Introduced 2/25/09. Referred to Assembly Transportation Committee and passed 13-0 on 4/27/09. Approved by Assembly 73-0 on 5/14/09 and sent to the Senate. Referred to Senate Transportation and Housing Committee 5/21/09. Amended 6/17/10 to change subject matter. Approved by Transportation and Housing 8-0 on 7/15/10; referred to Senate Appropriations Committee.

Approved by Appropriations Committee 9-0 on 8/2/10. Approved by Senate 32-1 on 8/12/10; referred back to Assembly for concurrence. Referred to Assembly Transportation Committee; approved by Transportation Committee 8-2 on 8/23/10. Approved by Assembly 45-5 on 8/25/10. Sent to Enrollment.

Current approved position: None

3. **AB 1375 (Galgiani) as amended 6/22/10** – *(Formerly, created a Department of Railroads within the Business, Transportation and Housing (BTH) Agency to develop and administer the high-speed train project as the successor agency to the Authority for most of the purposes and duties of the Proposition 1A bond act and for other activities related to the project.) Currently, authorizes the Governor, on the recommendation of the executive director, to appoint six additional exempt employees to the Authority for specific purposes and establishes a process for determining their compensation.*

The bill formerly provided that the Authority would continue in existence to advise the BTH Secretary and Director of the Department of Railroads concerning high-speed rail matters, to annually adopt a 6-year high-speed train program for submission to the Governor and the Legislature, review and adopt the annual report of the new department, establish the compensation of exempt executive employees of the department added by the bill and would constitute the department's "governing authority" for purposes of resolutions of necessity for property acquisition. The prior version of the bill also created a new Department of Railroads that would succeed to most of the current powers and duties of the Authority and would be administered by a director appointed by the Governor. The Governor would appoint up to 10 exempt executive employees to staff the department, who would serve at the pleasure of the director. The department would submit an annual report on the progress of the high-speed train program to the Authority for adoption and subsequent submittal to the Legislature. The bill made the new department the successor agency of the Authority for purposes of Proposition 1A and related statutory requirements.

The current bill, amended 6/22/10, no longer pertains to a restructuring of the Authority or creation of a new department. Instead, the bill now authorizes the Governor, upon the recommendation of the executive director, to appoint six additional exempt employees to the Authority. The appointments are limited to those for chief program manager, regional director(s), chief financial officer, and director of risk management and project controls. The bill authorizes the Authority to establish the compensation of the new exempt positions, as approved by the Department of Personnel Administration, in an amount reasonably necessary to

attract and persons of superior qualifications and after conducting an independent salary survey. (*Note: the same provisions are included in AB 289.*)

Bill history/status: Approved by Assembly Transportation Committee 9-4 on 4/27/09; referred to Assembly Appropriations Committee. Approved by Assembly Appropriations Committee 12-5 on 1/21/10. Approved by Assembly 42-20 on 1/27/10 and sent to Senate. Referred to Senate Transportation and Housing Committee. Pending hearing; hearing postponed by committee 6/24/10. **Bill dead for the year and session.**

Current approved position: Monitor

4. **AB 1747 (Galgiani) as amended 8/19/10** – *Environmental impacts of development projects involving the extraction of mineral deposits. (Formerly- Job creation as a high-speed train project contract award factor. Authorized the Authority to consider the creation of jobs in California when awarding major contracts, including those for purchasing high speed trains and supplies.)*

The bill as introduced added to the Authority's current powers and duties, granting permission to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts, including, but not limited to, those for purchasing high-speed trains and related equipment and supplies. The bill was permissive; it allowed but did not require the Authority to utilize California job creation as a contractual criterion.

The current version, as amended 8/19/10, no longer relates to the Authority or high-speed train project. The earlier provisions were stripped from the bill and replaced by provisions imposing new duties on a lead agency for determining whether certain development projects involving the extraction of mineral deposits have a significant effect on the environment or air quality.

Bill history/status: Introduced 2/8/10; referred to Assembly Transportation Committee. Approved 13-1 on 4/5/10; referred to Appropriations Committee and approved 15-1 on 4/21/10. Sent to Assembly Floor and approved 66-0. Referred to the Senate; pending assignment in Rules Committee. The bill subsequently missed the policy committee and other legislative action deadlines. Amended on 8/19/10 to change subject matter and re-referred to Rules Committee. **Bill likely dead for current session and is no longer relevant to high speed rail.**

Current approved position: Monitor

5. **AB 1830 (Jones—formerly Galgiani) as amended 8/20/10** – *Rolling stock purchases. Requires the Authority to make every effort to purchase rolling stock and related equipment that are manufactured in California.*

The bill as introduced adds a requirement that the Authority shall make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal law and any other applicable provision of state law.

The bill was amended 6/1/10 to change the author from Galgiani to Jones.

The 8/2/10 amendments added a requirement that the Authority establish a 5% bidding preference for rolling stock and related equipment manufactured in California.

The current bill, as amended 8/20/10, removes the 5% bid preference requirement and returns the measure to its original form requiring the Authority to make efforts to purchase rolling stock and equipment manufactured in California.

Bill history/status: Introduced 2/11/10 re electrical restructuring subject matter; amended to high-speed train provisions and referred to Assembly Transportation Committee 3/18/10. Approved 12-2 on 4/5/12 and referred to Appropriations Committee. Approved by Appropriations 12-4 on 4/21/10; approved by Assembly 53-22 on 6/3/10. Sent to Senate; referred to Transportation and Housing Committee. Approved by Transportation and Housing 6-2 on 6/29/10; referred to Senate Appropriations Committee. Placed on Appropriations Committee Suspense File on 8/2/10; approved by Appropriations 7-4 on 8/12/10. Referred to Senate Floor; approved by Senate 22-12 on 8/24/10. Referred to Assembly; approved by Assembly 47-22 on 8/25/10. Sent to Enrollment.

6. **AB 2121 (Harkey) as amended 5/28/10** – *Requires the Authority to annually adopt and submit to the Legislature and Governor a 6-year high-speed train program, and annually report on the progress made on the high-speed train program and on a detailed financing plan to pay for the construction of the high-speed train network.*

Section 1 of Article 16 of the California Constitution provides, among other things, that after passage of a bond act by state voters the Legislature may reduce the amount of the debt authorized by the bond law, provided that the reduced debt amount is not less than the amount of debt already contracted at the time of the legislated reduction.

The bill as introduced reduced the amount of bond indebtedness authorized by Proposition 1A to the amount of debt contracted as of January 1, 2011. Therefore, the high-speed train project would not have access to further state bond proceeds without a subsequent repeal or change to the proposed debt restrictions. The lack of state funding and the resulting inability to match federal and other funding sources, likely would terminate activities toward the development of the high-speed train system in the state.

The bill was amended by the author to no longer affect high speed train bonds or the financing of the HST project. Author's amendments replaced the original provisions of the bill with all new language requiring the annual submittal of a 6-year high-speed train program and an annual project progress report to the Legislature. The new provisions are very similar to some of the reporting requirements proposed in AB 1375, as the latter measure was approved by the Assembly.

The current version, as amended 5/28/10, clarifies the contents of the proposed annual report, due December 1st, including progress on each segment, a baseline and projected budget for capital outlay and support for each segment, expenditures to date, a comparison of the current and projected timeline and milestones achieved for each segment, and a detailed financial plan for financing the project.

Bill history/status: Introduced 2/18/10; referred to Assembly Transportation Committee 3/4/10. Approved by Transportation Committee 13-0 on 4/27/10 and amended 4/28/10 to delete original provisions and incorporate new reporting subject matter. Placed on Appropriations Committee Suspense File 5/12/10; amended and approved 17-0 on 5/28. Approved by Assembly 76-0 on 6/2/10 and sent to Senate; pending assignment in Senate Rules Committee. The bill missed the policy committee and related legislative action deadlines; **dead for this year and session.**

Current approved position: Oppose

7. **SB 409 (Ducheny) as amended 8/2/10**– *Rail connectivity plans and HSRA activities. (Formerly- Created a Department of Railroads in the Business, Transportation and Housing Agency, responsible for high-speed rail and several other current state rail programs.) Current language requires Senate confirmation of the Governor's appointees to the Authority, requires Caltrans to prepare a statewide 5-year rail connectivity plan in consultation with the Authority and other entities, and requires the Authority to adopt and submit a five-year high-speed train passenger program every two years.*

The re-drafted measure eliminated all of the original language related to the creation of a Department of Railroads that would have included the Authority, the Caltrans Division of Rail and certain rail functions of the Public Utilities Commission. The bill was stripped of those restructuring provisions before leaving the Senate.

The bill, as amended 8/2/10, makes the Governor's five appointments to the Authority Board subject to confirmation by the State Senate.

The bill requires the Department of Transportation to prepare and submit to the Federal Railroad Administration a 5-year Strategic Rail Connectivity Plan for the state that focuses on linkages and feeder opportunities between high-speed and conventional intercity rail, commuter rail and rail transit. The plan will include information on the planning, capital investments and right-of-way needs of passenger rail lines in connection with highway system improvements needed to accommodate expanded rail services. The plan will be developed in consultation with the Authority and other agencies and will be subject to a public review and comment process administered by the California Transportation Commission.

The bill requires the Authority to submit to the Legislature and the Governor annually, a 5-year high-speed rail passenger train program, including a listing of all capital improvement projects expected to require appropriation over the following 5 fiscal years. The report will include, for each project segment, specified information on permits and environmental studies, right-of-way acquisition activities, support, construction, engineering and related information.

Bill history/status: Heard in Senate Transportation and Housing Committee as an information item on 4/14/09. Rule waiver granted 5/28/09 allowed bill to be heard in policy committee after bill action deadlines. Approved by Senate Transportation and Housing Committee 10-0 on 6/9/09. Referred to Senate Appropriations Committee; set for hearing 7/23/09 pending rule waiver approval. Waiver granted; bill heard and placed on Senate Appropriations Committee Suspense File on 7/23/09. Approved by Senate Appropriations 13-0 on 8/4/09. Approved by Senate 32-0 on 1/28/10 and sent to Assembly. Referred to Assembly Transportation Committee; approved by Transportation Committee 11-0 on 6/28/10. Referred to Assembly Appropriations Committee; placed on Appropriations Committee Suspense File on 8/5/10. Held in committee 8/13/10. **Bill dead for year and session.**

Current approved position: Monitor

8. **SB 455 (Lowenthal) as amended 8/19/10** – *Senate confirmation of Governor’s appointees to Authority Board. (Formerly- Operations and duties of the High Speed Rail Authority. Made numerous conforming changes to statutory provisions and added specific references to the Authority in statutes governing property acquisition activities and eminent domain. Added additional Phase 1 project selection criteria and required Senate confirmation of Governor’s Board appointees. Required the Authority to prepare an overall project schedule on a quarterly basis, approve a quarterly contract status report, and approve all contract amendments at board meetings.)*

The bill as introduced proposed many technical and conforming changes to the Authority’s property acquisition powers and incorporated several changes to law regarding property management as suggested by the Authority’s legal counsel. The bill clarified that the Authority has independent authority parallel to that of Caltrans in these property acquisition, management and disposition activities and is not under the general property management scheme administered by the Department of General Services for other agencies.

The original bill also made several author-initiated substantive changes to the Authority and its operations: a) the Governor’s 5 appointees to the Authority would be subject to Senate confirmation (prospectively); b) the Authority would have to consider additional project selection criteria for investments in Phase 1 of the HST project—including access to railroad stations and terminals, improvements to travel times, service reliability, safety, improved connections between the San Joaquin Valley and southern California and the Bay Area, etc., or some combination of them; c) the Authority would have to prepare an overall project schedule with delivery milestones and related information and present the report quarterly to the board and the Legislature; d) the board would have to approve quarterly a written report on the status of contracts for the previous quarter, and submit the reports to the Legislature; and e) the board would have to formally approve all proposed amendments to contracts, including contract change orders, accompanied by a written report explaining the changes.

The bill was amended 8/19/10 to strip out all prior provisions except for the requirement that the Governor’s appointees to the Authority be subject to the advice and consent of the Senate. The confirmation requirement is the sole provision of the current bill.

Bill history/status: Approved by the Senate Transportation and Housing Committee 10-1 on 4/22/09; approved by Senate Appropriations Committee 9-4 on 5/27/09; Approved by Senate 32-5 on 6/2/09. Sent to Assembly. Approved by Assembly Transportation Committee 10-4 on 6/29/09; approved by Assembly Appropriations Committee 11-5 on 7/15/09. Referred to Assembly Floor Third Reading File; placed on Inactive File on 7/24/09. Removed from Inactive File 7/29/10. Amended and re-

referred to Assembly Rules Committee on 8/19/10. Re-referred to Assembly Floor; approved by Assembly 72-5 on 8/30/10. Referred to Senate for concurrence; approved by Senate 25-12 on 8/30/10.

Current approved position: Monitor

9. **SB 964 (Alquist-Steinberg) as amended 6/30/10** – *High speed rail workforce development. Requires the Authority to contract with the Employment Development Department to develop a labor market assessment of the workforce, skills and education needed to construct operate and maintain the HST system, and to develop options for workforce training programs to ensure the availability of the necessary workforce and skills.*

The bill directs the Authority to execute a contract with the Employment Development Department (EDD) to collaboratively develop a labor market assessment of the workforce needs of the high-speed train project and assess the labor market's ability to supply the necessary skills, education and training to develop, construct, operate and maintain the train system. EDD would also develop a recommended strategy to ensure that workforce programs are available to facilitate the availability of a skilled, in-state workforce to carry out HST project tasks and responsibilities.

The bill requires the Authority and EDD to jointly form an advisory committee to advise the two agencies on the availability and potential availability of skilled labor, by region, to construct, operate and maintain the high-speed train system. The advisory committee would consist of the HSRA, the state's higher education institutions (all three systems), California Workforce Investment Board, State Department of Education, labor organizations, State Employment Training Panel and others as determined by the Authority.

The workforce assessment would have to be submitted to specified committees of the Legislature by January 1, 2012 and be incorporated in the Authority's biennial business plan. The bill appropriates \$500,000 from the Proposition 1A bond fund to pay for the required workforce assessment and development activities.

The 6/30/10 amendments direct the EDD to work cooperatively with the Mineta Transportation Institute and utilize the information and findings of the Institute's own research on workforce assessment. The bill requires the EDD to collaborate with the MTI and share information with it and consult with other current assessments of rail transit workforce development.

Bill history/status: Introduced 2/18/10; dual-referred to Senate Transportation and Housing Committee and Education Committee. Approved by Transportation and Housing 6-2 on 4/20/10; referred to Education Committee 4/22/10 and rereferred to Senate Appropriations Committee 4/26/10; placed on Appropriations Suspense File. Approved 7-2 on 5/27/10; approved by the Senate 23-11 and sent to Assembly. Referred to Assembly Transportation Committee; approved by Transportation Committee 9-5 on 6/28/10. Referred to Assembly Appropriations Committee; placed on Suspense File on 8/5/10. Approved by Appropriations Committee 12-5 on 8/13/10; referred to Assembly Floor. Approved by Assembly 42-20 on 8/25; returned to Senate for concurrence. Senate concurred 23-13 on 8/26/10. Sent to Enrollment.

Current approved position: Monitor

10. SB 965 (DeSaulnier) as amended 8/20/10 – Federal high-speed rail funds.

Requires the High Speed Rail Authority to expend federal ARRA funds awarded to it for development of projects on the high-speed train system, upon legislative appropriation and in compliance with Proposition 1A. Requires submission of a plan to the Legislature on the use of ARRA funds based on any cooperative agreement reached with the FRA. Exempts from the bill's reporting requirements the Transbay Transit Center project in San Francisco. Makes the bill contingent upon the enactment of AB 289.

The bill requires the Authority to expend federal ARRA high-speed rail funds, upon appropriation by the Legislature, for purposes of developing projects along the high-speed rail network. The bill requires the Authority to take whatever actions are necessary to obligate and expend the federal funds to meet all applicable federal deadlines, to maximize job creation in the state as quickly as possible, to expedite completion of infrastructure projects that improve rail-highway safety, mobility and performance, and make the most efficient use of state Proposition 1A bond funds, including replacing state bond funds with federal funds to the extent possible to maximize the effectiveness of state funds. The bill requires the Authority to use the ARRA funds in a manner consistent with the requirements of Proposition 1A, including the proposition's peer review and funding plan submission provisions.

The bill requires the Authority, within 60 days of finalization of a cooperative agreement with the federal government for the use of the ARRA funds, to submit to the legislative committees with transportation jurisdiction and the Legislative Analyst an adopted expenditure plan for the federal funds with specified project components, progress information, and job creation and financial information.

The bill exempts from the above reporting provisions the Transbay Transit Center project in San Francisco.

The bill would become operative only if AB 289 is also enacted.

Bill history/status: Introduced 2/5/10; referred to Senate Transportation and Housing Committee; approved 8-0 on 4/13/10. Referred to Senate Appropriations; set for hearing 4/26/10. Approved 8-1 on 4/26/10 and sent to Senate Floor. Approved by Senate 26-8 on 4/29/10; sent to Assembly. Referred to Assembly Transportation Committee; approved by Transportation Committee 9-5 on 6/29/10. Referred to Assembly Appropriations Committee; placed on Suspense File 8/5/10. Approved by Appropriations Committee 12-5 on 8/13/10; referred to Assembly Floor. Approved by the Assembly 53-7 on 8/26/10. Returned to the Senate for concurrence; approved by Senate 23-11 on 8/31/10.

Current approved position: Monitor

Updated 8/31/10